discipline leading to operation of grid in an efficient, reliable and economic manner.

(b) There is no concept of peaking tariff in Availability Based Tariff (ABT) order notified by CERC. ABT is based on principles, where by the load and generation balance is drawn for every 15 minutes blocks and notified as a schedule to the generators and consumers. Any deviation from the notified schedule is payable by the generators/consumers as unscheduled inter-change charges. Such dispensation has been made to maintain a load generating balance and grid parameters on continuous basis.

(c) The installed generating capacity (combining hydro, thermal and nuclear power) in August, 2000 was 97940.57 MW. It is envisaged to add a total of 20891.57 MW of thermal, hydro and nuclear power in the installed capacity in the country during Ninth Plan.

Per capita expenditure on power

4329. SHRI RAMDAS AGARWAL: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the overall energy shortage in the year 2000-2001 (upto October, 2000) is 6.9 per cent and the peak shortage is about 10.8 per cent;

(b) whether it is also a fact that per capita expenditure on power is less than one unit per day;

(c) what steps government have taken till date with a view to initiate measures to check the declining trend in the hydro share in overall energy generation; and

(d) whether an integrated Hydro Power Policy and a Mega Power Policy have been formulated so far, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) The per capita consumption in India during 1998-99 was 359.57 Kwh which works out to slightly less than one unit a day.

(c) and (d) The share of hydro power in the total installed

capacity of the country rose up to 50.62% in 1963 but declined thereafter steadily and at present this share is only 25.2%. For better utilization of hydropower resources, the Government of India has taken a number of steps. It has brought out a policy to encourage greater participation by private entrepreneurs in India and aboard in electric power generation and to create the financial, administrative and legal environment suitable for the conducive to massive investment. Besides these, GOI has already announced several incentives to hydro developers, which broadly cover incentives for better availability of machines for generation of extra energy above design energy, compensation for hydrological risk, etc. The Government of India had announced a policy on Hydro Power Development in August, 1998 in order to accelerate the pace of hydropower development in the country. The policy envisages the following measures for this purpose.

(i) Providing adequate funds to Central Sector and State Sector Hydel Projects;

(ii) Basin-wise development of new hydro potential sites;

(iii) Creation of shelf of projects and bankable DPRs through intensive survey and investigations;

(iv) Promoting private investment through joint venture arrangement;

(v) Establishing a dedicated fund for promoting hydel projects;

(vi) Rationalisation of hydro tariff;

(vii) Providing an institutional mechanism for dealing with geological risks;

(viii) Taking projects locked up in inter-State issues or languishing due to lack of funds; and

(ix) Providing greater thrust for development of small hydel projects.

To facilitate setting up of large sized thermal power plants in the country and in order to derive the economies of scale, revised mega power policy has been introduced in 1998 and a number of projects

have been identified as mega power projects. The salient features of mega policy are:

Power Trading Corporation (PTC) has been incorporated, for the purpose of buying power from mega power projects under long term Power Purchase Agreements (PPAs) and in turn selling the power to the beneficiary States under long term PPAs.

A pre-condition for purchase of power from mega power projects would be that the beneficiary States should have constituted their Regulatory Commissions with full powers to fix tariffs as envisaged in the Central Act.

Certain fiscal concessions have been given to mega power projects to make the tariff cheaper, like duty free import of capital goods, deemed exports benefit and income tax holidays for 10 years period etc.

New system of financing the Rural Electrification Programme

† 4330. SHRI GOPALSINH G. SOLANKI: Will the Minister of POWER be pleased to state:

(a) whether Plannng Commission has intimated about granting loans to the State Electricity Boards through their respective State Governments during the year 2001-2002;

(b) the reasons for adopting the option of new system of financing the Rural Electricity Programme; and

(c) whether this change of system will affect the ongoing schemes and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Planning Commission in consultation with the Ministry of Power, has decided that from the Annual Plan 2000-01 onwards, the total Normal Central Assistance (NCA) for rural electrification under Minimum Needs Programme (MNP) as allocated to State Government would be released directly

† Original notice of the Question was received in Hindi.